



## WORLDWIDE PRESS RELEASE

### Carlson Wagonlit Travel leadership unveils 3-year strategy

*Minneapolis, Paris – January 17, 2005* – A few months following the appointment of Hubert Joly as President & Chief Executive Officer, Carlson Wagonlit Travel (CWT) has outlined its strategy and plan for the next three years (“CWT 007”).

“The next few years will continue to be characterized by corporations looking for savings in their travel budget and quality services for their travelers, along with a great deal of fluctuations and challenges in the procurement of travel as well as further consolidation of the travel management industry,” Joly predicted in discussing CWT’s plans.

CWT’s mission in this context is to be the leanest travel transaction processor in terms of cost, quality and service; the most effective travel management consultant helping corporations and government institutions optimize their travel budget and travel-related processes through strategic sourcing, process reengineering, systems integration, and business process outsourcing; and the preferred provider of high-touch traveler assistance and security-related services. To support its goals, the company has adopted seven key strategies:

1. **Complete the successful integration of recent acquisitions.** CWT acquired Protravel in France and Maritz Corporate Travel (MCT) in the United States in May 2004, followed by ONboard in Germany in October 2004. Progress and results are exceeding expectations with client retention over 99% in the United States, and 98% in France, and synergies ahead of schedule.
2. **Lead global trend in self-booking.** Process automation and self-booking provide corporations the opportunity to cut transaction costs by more than 50%. CWT is currently the second largest online travel agencies in the corporate world, with close to 2 million online transactions in the United States alone in 2004 and 2,000 online customers currently in Europe. By 2007, CWT expects the penetration of self-booking to rise to 60% in the United States and 30% in Europe.
3. **Expand consulting, program management, and outsourcing services.** CWT currently has close to 500 professionals (account managers, travel management consultants, and information services specialists) helping clients optimize their travel-related processes and travel budget. CWT utilizes its leading-edge data reporting tool, *CWT Discovery*, to support its clients in this area. CWT anticipates that up to 15% of its revenue will come from consulting, program management, and outsourcing services in 2007.

4. **Target opportunities with hotels, leveraging unique assets and capabilities.** The hotel spend often accounts for half of a corporation's travel budget. CWT believes hotels represent the "next frontier" in optimizing a corporation's travel spend. In this area, CWT is leveraging its unique hotel database, CWT HARP, with more than 125,000 hotels; its consulting capabilities; and its demonstrated ability to offer clients the lowest rate (on average, 17% lower than Internet Travel Agencies, as measured by a recent survey). CWT effectively partners with both clients and hoteliers to create "win-win-win" hotel programs generating savings and providing greater value for its customers and suppliers.
5. **Further consolidate CWT's penetration of global companies, leveraging its global footprint and global product suite.** CWT serves 60 of the top Global 100 companies, as named by *Fortune*. Many global corporations are seeking to further consolidate their travel program. CWT is uniquely positioned to support consolidated global programs, based on its global footprint, integrated organization and global product suite. CWT is in the process of rolling out its global product suite, including its Web-based profile tool *CWT Portrait*, its travel portal *CWT Connect*, its content access tools (CWT Harp, CWT Web fares, its direct connect capabilities) and its data reporting and traveller tracking tool *CWT Discovery*.
6. **Expand CWT's penetration of the mid-sized, or SME, market.** Mid-sized and small clients represent the majority of CWT's revenue in multiple countries. The acquisition of MCT in the United States and Protravel in France has strengthened its position in this market. CWT is focused on expanding its penetration of this market through a range of service configurations including both online and full service, and implant (or onsite) locations, business travel centers, and local branches.
7. **Address key geographic opportunities** One of the key priorities for the company is to build on its recent acquisitions in the United States, France and Germany to enhance its position in key markets. It is also focused on continuing to lead and grow in Asia Pacific. CWT crossed the US\$1 billion mark in 2004 in the region, experiencing a 51% growth of its revenue over 2003. It is particularly proud of its footprint and network in the region including Australia, China, Hong Kong, India, Indonesia, Japan, Singapore and Thailand.

Carlson Wagonlit Travel recently announced the global organization it has put in place to support these strategies. The organization is structured around geographic regions – North America led by Jack O'Neill, chief operating officer North America; EMEA led by Richard Lovell, chief operating officer EMEA; Asia Pacific, led by Berthold Trenkel, chief operating officer Asia Pacific; Latin America led by Geoffrey Marshall, president Latin America. In addition, CWT has four global functions: Global Accounts and Solutions Group led by Liliana Frigerio, executive vice president; Global Sales and Marketing led by Martin Warner, executive vice president; Hotels, also led by Lovell; and Technology, led by Loren Brown, Chief Information Officer.

Joly observed: "CWT is approaching the next three years from a position of strength as one of only two truly global travel management companies in a market that has

started to rebound. CWT ranks number one in EMEA, Asia Pacific and Latin America, and number 2 or 3 in North America. It has a great client portfolio.”

He added: “In what is a very dynamic environment, CWT is a sophisticated, high tech, global professional services company that is uniquely positioned to meet the travel related needs of corporations and government institutions of all sizes around the world”. “CWT has the global footprint, the range of service options, the tools and the teams to deliver great service and bottom line results to its clients,” remarked Joly, who joined CWT last July with a broad international experience as a global leader in the professional services and high-tech sectors.

Joly also noted that “the company has enjoyed a strong 2004. Its volume growth reached 29% versus 2003. In the last 12 months, the company has recorded more than US\$ 1.3 billion in new sales”.

#### **About Carlson Wagonlit Travel**

Carlson Wagonlit Travel is a world leader in business travel management. The company generates over US\$ 19 billion in annual sales with corporations and government institutions of all sizes. Its core business is to assist companies of all sizes in optimizing their corporate travel expenditure and processes. CWT designs and implements superior travel management programs for clients based upon its recognized consulting expertise, strong purchasing power, technological know-how, and high-quality service. CWT deploys the right people, processes, skills, and technologies to consistently deliver unparalleled service and bottom-line results to its corporate clients. Its mission is to be the leanest travel transaction processor in terms of cost relative to quality and service; the most effective travel management consultant helping companies optimize their travel budgets through: strategic sourcing, process reengineering, systems integration and business process outsourcing; the preferred provider of high-touch traveler assistance and security-related services. It is co-owned by Paris-based Accor group and Minneapolis-based Carlson Companies.